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SUPPLEMENT TO  
REPORT NO.

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THIS IS UNEVALUATED INFORMATION

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1. In March 1951 an extensive purge was carried out in the Czechoslovak Ministry of Foreign Trade; some 300 people were dismissed from their positions, and [redacted] a total of 4,600 were to be discharged by 1 Oct 51. They were to become "volunteer" workers. The basis for the purge was suspicion of any disagreement or dissatisfaction with the [redacted] [redacted] Among the most prominent persons who left were;

Hrubis - Director of the Western Europe Dept  
Yanda - Director of Overseas Trade  
Pleva - Director Soviet Orbit Dept. He departed  
"voluntarily", though under pressure  
Landa - Principal trade negotiator  
Seiner - In charge of Swiss and French trade  
Gregg, Soltan - In charge of British trade.

Hrubis, Yanda and Pleva had all received fairly good positions. The others were still without jobs in July 1951.

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**SECRET**

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Important decisions in the Ministry of Foreign Trade are now made by people whose only title to their positions is seniority in the CP. The Czech trade apparatus, in order to be comprehensible to them, has had to be reduced to a degree of simplicity which makes it inapplicable to the complex pattern of Western trade. It has consequently become impossible to make Western - type transactions understood and accepted. One rule must be obeyed in the ministry - i e immediately and completely to attend to any matter which concerns the Soviet Union, even at the expense of more important and beneficial matters. This attitude greatly contributes to the decline of exports to the West; Soviet needs have priority. The consensus among Foreign Trade Ministry personnel was that the agency was slated to lose progressively in functional importance. A major reason appeared to be the continuous curtailment of trade with the West. A more important reason was the shifting of the center of economic activities of all Eastern countries to the Cominform Economic Council in Moscow. The Chief of the Czech delegation to this very important council is a comparatively young, brilliant and fanatic man named Goldmann. He has the final word on all important decisions of the Foreign Trade Ministry, whether concerning East or West. In the CP hierarchy he outranks the Minister of Foreign Trade.

2. Prior to March 1951, the Ministry had seven main sections: Plans, Cadre, USSR, Control, Vice Minister I (Privileged Companies), Vice Minister II (People's Democracies) and Vice Minister III (Western Europe and Overseas and British Empire.)

Cadre Section

3. The Cadre Section was responsible for the political reliability of new employees and for making a decision as to whether a new prospect was to be recommended for employment. It was highly secret and together with the Plans Section was housed apart from the rest of the Ministry of Foreign Trade.
- 25X1 [redacted] it was divided into three sub-sections: Plans, General Personnel Matters and Control of Dossier Section. The last had the investigative function; [redacted] STB personnel were recently assigned to the Dossier Section to do this work. There was also a group in the Cadre Section responsible for the procurement of passports for members of the ministry who were to be assigned to overseas posts. The following are [redacted] in the Cadre Section:

- 25X1 (a) Tichy - Cadre Section Chief after March 1951.

- 25X1 (b) Hruza, Dr - Chief of the Section until March 1951.

- 25X1 (c) Fousek, Josef - Until 1948 he was a chauffeur in the Ministry of Foreign Trade.

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**SECRET**

-3-

25X1

25X1

USSR Section

4. The USSR Section existed for practically the sole purpose of overseeing the fulfillment of contracts made with Czechoslovak industry to produce goods for the Soviet Union. Prior to March 1951 the section was composed of sub-sections which were responsible for various groups of commodities exported to the USSR. As of July 1951, however, the section had been completely decentralized and one official was responsible for the export of only a single commodity. Items imported from the USSR were similarly handled. The activities of this section were kept very secret. Prior to the fall of 1950 it was housed in Dejvice Na Zatorce, across the street from the Soviet Economic Delegation, but it was moved to the Petschek Palace. The chief of the section is a brother of Zdenek Fierlinger. [REDACTED]

25X1

Control Section

5. The Control Section was composed of somewhat more than 30 persons whose function was to check on members of the Ministry of Foreign Trade to see that they performed their jobs in accordance with existing directives. It was this section's duty to detect "economic sabotage" on the part of ministry members. In reality it constituted a small spy net within the ministry; it is an example of the denunciation system which operates in all Communist regimes. Josef Pommer was chief of the section until March 1951 [REDACTED]

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Vice Minister I

6. The group under Vice Minister I is responsible for overseeing the administrative and commercial activities of the Privileged Companies (Vysadni spolecnost) and the extent to which production plans for export are fulfilled. Under the Vice Minister is a section chief who has charge of the administrative work and personnel questions of the section. Also under the Vice-Minister are four "secretaries", each of whom is responsible for the activities of a group of Privileged Companies. Each secretary in turn has under him a number of officials, one for each Privileged Company.

25X1

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SECRET

-4-

25X1  
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25X1 The following were officials in this section [redacted]

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(a) Jonas, Josef - Vice-Minister I. [redacted]

25X1 [redacted]

25X1 [redacted]

25X1 (b) Rosicky - Section Chief. [redacted]

25X1 [redacted]

(c) Klimo, Dr (formerly Kliem) - Secretary in charge of  
ceramics, wood, chemicals and glass. [redacted]

25X1 [redacted]

25X1 [redacted]

25X1 [redacted]

The following Privileged Companies  
were grouped under him:

- (1) Chemapol - General Manager was Sada (or Sadek)
- (2) Skloexport - Gen Mgr was Dr Wichs
- (3) Keramika - Gen Mgr Dr Kalina (formerly Kirsch)
- (4) Papco -
- (5) Celuloza - Magnezit
- (6) Koh-I-Nor
- (7) Ligna

(d) C----- - Secretary for leather and Centrotex. [redacted]

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25X1 [redacted]

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Under him  
were:

- (1) Centrotex - Gen Mgr Ing Adamex, non-Communist. [redacted]

- (2) Exico - Gen Mgr Gajdos, former Bata employee

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(e) Pisarik - Secretary in charge of Kovo and Metalimpex. [redacted]

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Under him were:

- (1) Kovo
- (2) Ferromet
- (3) Metalimpex
- (4) Kratki
- (5) Poldi
- (6) Czechoslovak Mines (Doly)

SECRET

25X1

SECRET

- (f) Jablonsky (formerly Apfelbaum) - Secretary in charge of food, beer and malt, Ultraphon-Orbis. [REDACTED]

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He had under him:

- (1) Oleaspol - Gen Mgr Ing Kohout
- (2) Chmel & Slad
- (3) Metrans - Gen Mgr Dr Schlesinger
- (4) Koospol - Gen Mgr - Smejkal
- (5) Centrokomise - Gen Mgr Dr Gregor (until March 1951)
- (6) Cukrex - Gen Mgr Ing Palasek
- (7) Tobakova Rezie
- (8) Merkuria

#### Vice Minister II

7. Vice Minister II's function was to oversee the fulfillment of trade agreements between Czechoslovakia and the People's Democracies. The section also had control over Czechoslovak commercial attaches sent to satellite nations, the adjustment of money balances, and the issuance of import and export licenses in trade with the satellites. Rudolf Dvorak was

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Vice Minister II [REDACTED]

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[REDACTED] As of March 1951, the position of Section Chief was not filled. The last regular Section Chief was Ing Jan Pleva, who held the position until December 1950. Following this, Dr Karel Benda, Chief of the Polish Desk, was also Acting Section Chief until February 1951. [REDACTED]

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The Desks in this section were:

- (a) Polish - Chief until February 1951 was Dr Benda. His 1st Assistant was Dr Solc, not a convinced Communist.
- (b) Hungarian - Chief until January 1951 was Ing Roman [REDACTED]

25X1

25X1

- (c) Rumanian - Chief was Ziegler. The former chief was Mrs Mary Sindelkova, who moved to the Norwegian Desk.
- (d) Bulgarian - [REDACTED]
- (e) Red China
- (f) East German

25X1

SECRET

Vice Minister III

8. Vice Minister III's section is divided into two parts, Western Europe and the Overseas and British Empire, each headed by a Section Chief. Dr Rudolf Margolius was Vice Minister III.

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9. Organizationally the Western Europe section was divided geographically into areas or desks, each having its chief and staff. Commercial attaches in various countries were responsible to their respective desk chiefs. There was a large-scale replacement of personnel who had any sort of contact with the West as a result of the purge of March 1951. The following people have been in the Western Europe Section:

- (a) Section Chief - Hrubis, a former Colonel on the Czech General Staff

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- (b) Desk Chiefs

- (1) France and Switzerland - Ing Adolf Seiner.

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- (2) Benelux - Dr Mastny.

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- (3) Austria, Italy - Dr Klinger. Non-Communist.

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- (4) Scandinavia

- (5) Turkey, Greece, Yugoslavia - Duraj. A Slovak

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SECRET

SECRET

(c) Commercial Attaches

25X1 (1) Ankara - Ing Hermann.

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(2) Rome - Dr Alexander Nerad (formerly Schoenfeld).

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25X1 (3) Paris - Zelenkz (Zelinka).

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(4) Bern - Vulkan.

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25X1 (5) Vienna - Reizer.

10. The Section Chief for Overseas and British Empire was Dr Josef Janda until April 1951, when he was pensioned off.

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His successor is an unknown young man 28 years old.

(a) Desk Chiefs

(1) Great Britain - Dr Soltan Gregr (formerly Goldstein), former Commercial Attache in Paris. He left in March 1951.

(2) Near East - Skocdopole, former high official in the old Ministry of Commerce and Industry and later Chief of the Turkish Desk in the Ministry of Foreign Trade.

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(3) India, Pakistan - Viktorin.

25X1  
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**SECRET**

25X1

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25X1

-8-

25X1

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- (4) North America, Western Germany - Dr Antonin Horejs. [REDACTED]

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- (5) South America - Dr Jindrich Hermann. [REDACTED]

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(b) Area Assistants

- 25X1 (1) Argentina, Uruguay, Paraguay - Dr Hubert Stein. He held the position from 7 Apr 47 until May or June 1951 [REDACTED]

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- 25X1 (2) Brazil - Dr Jiri Vojtechovsky. He held the position until the end of 1949, when he was sent to Mexico City [REDACTED]

- 25X1 (3) Colombia, Ecuador, Venezuela - Lubor Zamlar until Winter 1950, when he went to Mexico City [REDACTED]

- (4) Mexico, Central America and Chile - Valeri Hubertova. [REDACTED]

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**SECRET**



(c) Commercial Attaches

25X1 (1) London - Ing Kadled. [REDACTED]

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(2) Buenos Aires - First Attache, Josef Kalvoda.

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25X1 (3) Rio de Janeiro - First Attache, Dr Ruda. [REDACTED]

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-10-

SECRET

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- (4) Montevideo - This is a branch of the Buenos Aires Czech Embassy. Dr Hoyer of the Ministry of Foreign Affairs was chief of this branch and sent an economic report to Buenos Aires every three weeks.

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- (5) Santiago - The CSR no longer has any official diplomatic or economic representation in Chile. Unofficial contact for both the Ministry of Foreign Affairs and the Ministry of Foreign Trade is the firm of Jedlinsky & Kobler. Mr Kobler is a former official of the Czech Consulate in Santiago.

- 25X1 (6) Caracas - Richard Falber.

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- 25X1 (7) Mexico City - Jiri Vojtechovsky.

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